GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:180
ANSWERED ON:27.11.2007
INDIA`S RANK IN TRADE DEVELOPMENT INDEX
Chowdhury Shri Adhir Ranjan

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the United Nations Conference on Trade and Development (UNCTAD) has ranked India 86th among 123 countries on the Trade Development Index;

(b) if so, the details thereof;

(c) whether the Government has assessed the reasons for India`s low rank in the trade development index;

(d) if so, the details thereof; and

(e) the steps taken/proposed to be taken by the Government to improve its performance?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

(a) to (e) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.180 FOR ANSWER ON 27TH NOVEMBER, 2007 REGARDING `INDIA`S RANK IN TRADE DEVELOPMENT INDEX`

(a) & (b) Yes, Sir. The UNCTAD has ranked India at 86th position in its Report `Developing Countries in International Trade 2007 - Trade Development Index (TDI)`. The Report has pointed out that India has improved its rank from 90 in 2005 to 86 in 2006 as its overall TDI score rose from 413 in 2005 to 433 in 2006. India`s TDI score also indicates that its Input Measure Index (MI) score rose from 549 to 576 and its outcome Measure Index rose from 277 to 290.

(c) & (d) The Trade Development Index (TDI) has shown that India has performed particularly well in number of components including inter-alia international finance, macro-economic stability, domestic finance, financial intermediation, institutional quality and trade performance. On the other hand challenges remain in the areas of human capital, physical infrastructure, economic structure, environmental sustainability, openness to trade, foreign market access, and economic & social well-being. The Report has introduced a new concept of Emerging Seven Economies (E7) which includes India with other members being Brazil, China, Republic of Korea, Russia and South Africa.

(e) The Report has pointed out that India and China have become important players in the world economy following two decades of impressive growth in their respective economies and trade levels. This is reflected in India`s GDP average growth rate of 8.6% during 2003-2006 and the active role played by India in the multilateral trading system.